UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
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To: All Field Officials

From: Director

Subject: Application for Permit to Drill (APD) - Process Improvement #3 - - Cultural Resources

Program Areas: Oil & Gas Operations and Cultural Resources

Policy: State Office (SO) and Field Office (FO) Oil & Gas and Cultural Resource Program leads and specialists should recommend that oil and gas operators and cultural resource contractors coordinate cultural resource consultation and survey requirements with Bureau of Land Management (BLM) cultural resource specialists as early as possible prior to submitting an APD; use "block" survey designs that will allow all components of a proposed project or projects – well(s), access roads, pipelines and utilities - - to be sited and assessed for environmental impacts; and complete surveys prior to a Notice of Staking "onsite." Operators should record and transmit survey data consistent with BLM cultural resources automated database and Geographic Information System standards (GIS). SOs and FOs shall support continued automated database and GIS development and regional synthesis and modeling initiatives, as funding allows.

This policy will improve customer service to oil and gas operators by reducing some sources of delay in meeting BLM National Historic Preservation Act (NHPA) Section 106 compliance responsibilities for APD and Sundry Notice processing, and increasing BLM and operator flexibility in developing the oil and gas resource, while avoiding or minimizing impacts to cultural resources.

FOs and oil and gas operators are to use those "best practice" cultural resource strategies that meet their needs and to share and experiment with practices that will allow for more efficient and effective processing of APDs. I have instructed the Washington Headquarters Fluid Minerals Group to monitor your offices for the effective implementation of these cultural resource strategies. Prior to the close of the calendar year, the Washington Office will provide a format for each office to follow in completing a self-assessment report. The report will outline FO steps taken to implement these strategies, operator response, and a measure of strategy effectiveness.

The Washington Office formed a national team to investigate ways to implement Task #8 of the National Energy Policy Implementation Plan *(BLM will identify ways to improve the process for reviewing and approving APDs)*. Cultural resource compliance requirements, under the NHPA Section 106, have been identified as critical steps in the approval of APDs. The NHPA requires that before funding or authorizing an undertaking, Federal agencies must take into account the effect of that undertaking on any properties that may be eligible for inclusion in the National Register of Historic Places and authorizes agencies to charge reasonable costs to Federal licensees and permittees as a condition of issuing the license or permit. The Task #8 Team identified three primary ways in which SOs and FOs of the BLM can improve the APD/cultural resources review and approval process:

- Recommend cultural resource "block" surveys, in most situations
- Have cultural surveys completed earlier in the process.
- Support cultural resources data sharing and regional synthesis and modeling initiatives.

Implementation of these three recommendations by SOs and FOs, as well as oil and gas operators, is expected to shorten review and processing times for many APDs and assist operators in future field development planning. Early coordination with BLM cultural resource specialists on survey and consultation requirements will assist operators in programming sufficient time and resources to complete cultural resources compliance requirements. "Block" surveys completed in a timely manner increase the flexibility of BLM and the operator in locating potential wells, access roads, pipelines, and utilities to avoid cultural resource and other environmental impacts and the associated costs of site evaluation and mitigation. Finally, automated database and GIS systems assist BLM and cultural resources contractors by improving the access to existing survey data, allowing development of more effective survey strategies, and providing a better basis for future field development planning.

1. Cultural Resources Survey Design: SO and FO Oil & Gas, as well as Cultural Resource program leads and specialists, should make oil and gas operators aware of the significant advantages of designing project surveys to include enough information to site and assess the potential effects of all components of a project or projects, including well(s), access roads, pipelines and utilities. In contrast to the traditional piecemeal "well pad" survey approach, recommended surveys will typically range from 40 acres for individual wells to entire lease or full field development areas based on regional research designs. Areas in which this survey policy has been and can successfully be applied include: (a) development areas with high cultural site density or unusual resource protection requirements; (b) areas in which long-term development or in-fill drilling will continue; (c) areas in which repeated or cumulative impacts may occur; and (d) areas where rapid APD or Sundry Notice approval is an industry priority. Large-scale "block" surveys are not generally appropriate where a well is exploratory, where additional future development is not anticipated, or where survey information has a particularly short shelf life due to an active depositional environment or resource fragility. In such cases, each project should be considered individually, and smaller inventory areas (i.e., a 10-acre well pad or less) may be more appropriate.

Large scale "block" surveys can offer distinct advantages to both the BLM and operator by: (a) improving opportunity for avoiding adverse effects to cultural resources within the area of potential effect for the proposed project, thereby resulting in "No Effect" findings; (b) reducing the probability that multiple surveys will be required to site a single project; (c) avoiding the long-term cost of re-

survey to site future projects in the same area; (d) increasing efficiency of report preparation and review over multiple individual survey reports; (e) providing better information on the potential for impacts within the area of potential effect for the purpose of the NHPA and National Environmental Policy Act (NEPA) compliance; (f) providing greater opportunity for full field oil and gas development planning; and (g) improving understanding of regional cultural resource distribution patterns to inform future land use planning efforts. Small-scale operators may be encouraged to look for opportunities to partner with other operators to accomplish surveys for multiple applications in the same area in order to share these benefits.

2. Cultural Resources Survey Timing: SO and FO Oil & Gas, as well as Cultural Resource Program leads and specialists, should encourage oil & gas operators to coordinate with BLM cultural resources specialists on survey and consultation requirements as early as possible prior to submitting an APD and complete cultural resource block surveys prior to a Notice of Staking "onsite" meeting. SOs and FOs should also encourage cultural resource contractor or BLM cultural resource specialist attendance at a Notice of Staking onsite meeting to interpret cultural resource survey results and assist in evaluating development options. Cultural reports submitted to BLM late in the process can delay BLM's analysis of the survey data, and incorporation of that data into the NHPA and NEPA compliance process.

Surveys completed prior to a Notice of Staking onsite can offer distinct advantages to BLM and the operator by: (a) allowing the well location and/or access route to be sited at or prior to the onsite in order to avoid adverse effects on cultural resources, and eliminate the delay and cost associated with site evaluation and mitigation; (b) helping to ensure that development is not held up due to a lack of available archaeological contractors during the peak field season or during the cold season when archaeological surveys may be precluded due to snow cover and (c) reducing the likelihood of having to change a location due to a cultural resource conflict discovered later in the APD review process, thereby eliminating associated reengineering, additional cultural resources survey, and APD amendment costs.

Operators should be cautioned that APD processing delays may still occur even when all recommended procedures are followed, resulting in additional cost and delay to BLM and the operator. If such delays are anticipated, BLM shall notify the operator as quickly as possible. Operators should also be cautioned that moving well locations and/or access route at or prior to the "onsite" in order to avoid cultural resources, does not eliminate the requirement to record all identified sites and complete the survey report, for review and approval by BLM.

3. Data Sharing and Cultural Resource Modeling: The BLM is currently engaged in a cultural resources data-sharing project with the State Historic Preservation Offices (SHPOs). In addition, BLM has developed planning models for oil and gas exploration and development in Nevada. This modeling approach is being expanded in larger areas in Nevada and exported as part of a partnership with the Department of Energy to develop cultural resource sensitivity models, examine past inventory efficiency, and develop information tools to facilitate decision making for lease sales and APD processing in New Mexico and Wyoming. Continued SO and FO support for these cultural resources data sharing, regional synthesis, and modeling initiatives is strongly encouraged, as is ensuring that operators submit new cultural resources information in a format compatible with BLM automated database and GIS systems. This effort will build our capacity to: a) efficiently retrieve information on known cultural resources; b) estimate the likelihood that significant new cultural

resources will be identified in areas proposed for leasing or for project implementation; c) develop effective strategies for cultural resources inventory, management and mitigation; and, d) support development of environmental documents and management plans with current cultural resources information. In helping cultural resource specialists more accurately predict the likelihood of significant cultural resources, these tools can indicate the need for further inventory well before the APD time frame becomes critical. Probability models cannot substitute for field inventory where data is not present, but rather should be viewed as a management tool useful in planning.

The implementation phases for this part of the policy are:

a) Database Development. This calls for investing in joint SHPO/BLM databases, both to bring them up to date as well as to standardize them into a format compatible with BLM automated database and GIS system.

b) GIS Development. This calls for incorporating existing survey data, as well as new data (both cultural and geomorphic) acquired as a function of survey and testing requirements of each individual project. These models can be used in developing larger-scale planning models.

c) Regional Modeling. This results in the creation of probabilistic models of human activity across a given landscape that, with appropriate field-testing, can be used to develop a reasonable and defensible basis for resource planning.

d) Management Model. The final product of this is a "zone" approach in which a variety of inventory requirements are mapped as zones. These zones are used to develop and implement specific management guidelines for exploration and development of energy resources. Management models provide BLM specialists and operators with clear up-front guidance for planning and implementation of oil and gas exploration and development.

Implementation of this program is contingent on funding provided by the benefiting activity. Available funding should initially focus on those field offices most involved in oil and gas work.

Timeframe: This policy becomes effective upon the date of issuance. WO will provide guidance on completing strategy implementation self-assessment reports by December 1, 2003. Self-assessment reports are due January 31, 2004.

Budget Impact: Implementation of the first two recommendations by the BLM and oil and gas operators is expected to result in both short and long-term cost savings to the BLM and a long-term cost savings to the operator. The data sharing and cultural resource modeling are dependent on continued support from benefiting activities in order to achieve long-term cost savings and improved project management. In view of pending budget shortfalls, BLM offices are also encouraged to work closely with their counterpart Federal agencies, SHPOs and private consultants. Grants can also be applied for such as the PUMP III Department of Energy grant to develop sensitivity maps and predictive models of site distribution, to test those models, and to pay for excavation and analysis needed to address regional research design questions.

Manual/Handbook Sections Affected: None

Coordination: This Instruction Memorandum was coordinated between the Fluid Minerals Group and the Cultural Resources Group and reviewed by the State Offices.

Contact: Jim Perry, Environmental Scientist, Washington Office Fluid Minerals Group, at (202) 452-5063, E-mail Jim_Perry@blm.gov ; or Robin Burgess, Preservation Officer, Washington Office Cultural Resources Group, at (202) 785-6581, E-mail Robin_Burgess@blm.gov

Signed by:
Jim M. Hughes
Acting Director

Authenticated by:
Barbara J. Brown
Policy & Records Group, WO-560